Registre de Commerce et des Sociétés
B177275 - L150147693
déposé le 07/08/2015

MENTION

Dénomination: Eurasian Resources Group S.à r.l.
Siège social : 9, rue Sainte Zithe, L-2763 Luxembourg
N° du Registre de Commerce : **B 177.275**

N° code donneur d'ordre : 1026

Les comptes annuels de la société Eurasian Resources Group S.à r.l. au 31/12/2014 ont été déposés au Registre de Commerce et des Sociétés.

Pour mention aux fins de la publication au Mémorial, Recueil Spécial des Sociétés et Associations.

Registre de Commerce et des Sociétés
B177275 - L150147693
enregistré et déposé le 07/08/2015

RCSL Nr. : B177275	Matricule : 2013 2418 870

BALANCE SHEET

Financial year from 01 01/01/2014 **to** 02 31/12/2014 *(in* 03 USD)

Eurasian Resources Group

9, rue Sainte Zithe
L-2763 Luxembourg

ASSETS

		Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101		101	0,00	102	0,00
I. Subscribed capital not called	1103		103	0,00	104	0,00
II. Subscribed capital called but unpaid	1105		105	0,00	106	0,00
B. Formation expenses	1107		107	0,00	108	0,00
C. Fixed assets	1109		109	50.001.963,56	110	1,34
I. Intangible fixed assets	1111		111	0,00	112	0,00
1. Research and development costs	1113		113	0,00	114	0,00
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		115	0,00	116	0,00
a) acquired for valuable consideration and need not be shown under C.I.3	1117		117	0,00	118	0,00
b) created by the undertaking itself	1119		119	0,00	120	0,00
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		121	0,00	122	0,00
4. Payments on account and intangible fixed assets under development	1123		123	0,00	124	0,00
II. Tangible fixed assets	1125		125	0,00	126	0,00
1. Land and buildings	1127		127	0,00	128	0,00
2. Plant and machinery	1129		129	0,00	130	0,00

RCSL Nr. : B177275	Matricule : 2013 2418 870

		Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131		131	0,00	132	0,00
4. Payments on account and tangible fixed assets under development	1133		133	0,00	134	0,00
III. Financial fixed assets	1135		135	50.001.963,56	136	1,34
1. Shares in affiliated undertakings	1137	3	137	50.001.963,56	138	1,34
2. Amounts owed by affiliated undertakings	1139		139	0,00	140	0,00
3. Shares in undertakings with which the undertaking is linked by virtue of participating interests	1141		141	0,00	142	0,00
4. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1143		143	0,00	144	0,00
5. Securities and other financial instruments held as fixed assets	1145		145	0,00	146	0,00
6. Loans and claims held as fixed assets	1147		147	0,00	148	0,00
7. Own shares or own corporate units	1149		149	0,00	150	0,00
D. Current assets	1151		151	8.986.779,95	152	842.062,87
I. Inventories	1153		153	0,00	154	0,00
1. Raw materials and consumables	1155		155	0,00	156	0,00
2. Work and contracts in progress	1157		157	0,00	158	0,00
3. Finished goods and merchandise	1159		159	0,00	160	0,00
4. Payments on account	1161		161	0,00	162	0,00
II. Debtors	1163		163	8.293.686,12	164	778.600,15
1. Trade receivables	1165		165	0,00	166	0,00
a) becoming due and payable within one year	1167		167	0,00	168	0,00
b) becoming due and payable after more than one year	1169		169	0,00	170	0,00
2. Amounts owed by affiliated undertakings	1171		171	0,00	172	0,00
a) becoming due and payable within one year	1173		173	0,00	174	0,00
b) becoming due and payable after more than one year	1175		175	0,00	176	0,00
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177	0,00	178	0,00
a) becoming due and payable within one year	1179		179	0,00	180	0,00
b) becoming due and payable after more than one year	1181		181	0,00	182	0,00

RCSL Nr. : B177275	Matricule : 2013 2418 870

		Reference(s)		Current year		Previous year
4. Other receivables	1183		183	8.293.686,12	184	778.600,15
a) becoming due and payable within one year	1185	4	185	8.293.686,12	186	778.600,15
b) becoming due and payable after more than one year	1187		187	0,00	188	0,00
III. Transferable securities and other financial instruments	1189		189	0,00	190	0,00
1. Shares in affiliated undertakings and in undertakings with which the undertaking is linked by of participating interests	1191		191	0,00	192	0,00
2. Own shares or own corporate units	1193		193	0,00	194	0,00
3. Other transferable securities and other financial instruments	1195		195	0,00	196	0,00
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197		197	693.093,83	198	63.462,72
E. Prepayments	1199	5	199	291.273,22	200	0,00
TOTAL (ASSETS)			201	59.280.016,73	202	842.064,21

RCSL Nr. : B177275	Matricule : 2013 2418 870

LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301		301	-58.892.924,01	302	-14.669.665,32
I. Subscribed capital	1303	6	303	77.500,00	304	81.902,32
II. Share premium and similar premiums	1305		305	0,00	306	0,00
III. Revaluation reserves	1307		307	0,00	308	0,00
IV. Reserves	1309		309	0,00	310	0,00
1. Legal reserve	1311		311	0,00	312	0,00
2. Reserve for own shares or own corporate units	1313		313	0,00	314	0,00
3. Reserves provided for by the articles of association	1315		315	0,00	316	0,00
4. Other reserves	1317		317	0,00	318	0,00
V. Profit or loss brought forward	1319		319	-14.751.567,64	320	0,00
VI. Profit or loss for the financial year	1321		321	-44.218.856,37	322	-14.751.567,64
VII. Interim dividends	1323		323	0,00	324	0,00
VIII. Capital investment subsidies	1325		325	0,00	326	0,00
IX. Temporarily not taxable capital gains	1327		327	0,00	328	0,00
B. Subordinated debts	1329		329	0,00	330	0,00
1. Convertible loans	1413		413	0,00	414	0,00
a) becoming due and payable within one year	1415		415	0,00	416	0,00
b) becoming due and payable after more than one year	1417		417	0,00	418	0,00
2. Non convertible loans	1419		419	0,00	420	0,00
a) becoming due and payable within one year	1421		421	0,00	422	0,00
b) becoming due and payable after more than one year	1423		423	0,00	424	0,00
C. Provisions	1331		331	3.907,49	332	4.412,98
1. Provisions for pensions and similar obligations	1333		333	0,00	334	0,00
2. Provisions for taxation	1335	11	335	3.907,49	336	4.412,98
3. Other provisions	1337		337	0,00	338	0,00
D. Non subordinated debts	1339		339	118.169.033,25	340	15.507.316,55
1. Debenture loans	1341		341	0,00	342	0,00
a) Convertible loans	1343		343	0,00	344	0,00
i) becoming due and payable within one year	1345		345	0,00	346	0,00
ii) becoming due and payable after more than one year	1347		347	0,00	348	0,00

RCSL Nr. : B177275	Matricule : 2013 2418 870

		Reference(s)		Current year		Previous year
b) Non convertible loans	1349		349	0,00	350	0,00
i) becoming due and payable within one year	1351		351	0,00	352	0,00
ii) becoming due and payable after more than one year	1353		353	0,00	354	0,00
2. Amounts owed to credit institutions	1355		355	0,00	356	0,00
a) becoming due and payable within one year	1357		357	0,00	358	0,00
b) becoming due and payable after more than one year	1359		359	0,00	360	0,00
3. Payments received on account of orders as far as they are not deducted distinctly from inventories	1361		361	0,00	362	0,00
a) becoming due and payable within one year	1363		363	0,00	364	0,00
b) becoming due and payable after more than one year	1365		365	0,00	366	0,00
4. Trade creditors	1367		367	0,00	368	0,00
a) becoming due and payable within one year	1369		369	0,00	370	0,00
b) becoming due and payable after more than one year	1371		371	0,00	372	0,00
5. Bills of exchange payable	1373		373	0,00	374	0,00
a) becoming due and payable within one year	1375		375	0,00	376	0,00
b) becoming due and payable after more than one year	1377		377	0,00	378	0,00
6. Amounts owed to affiliated undertakings	1379		379	87.501.879,55	380	9.003.751,55
a) becoming due and payable within one year	1381	7	381	87.501.879,55	382	9.003.751,55
b) becoming due and payable after more than one year	1383		383	0,00	384	0,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385	0,00	386	0,00
a) becoming due and payable within one year	1387		387	0,00	388	0,00
b) becoming due and payable after more than one year	1389		389	0,00	390	0,00
8. Tax and social security debts	1391		391	4.847.090,65	392	771.771,75
a) Tax debts	1393	7	393	4.847.090,65	394	771.771,75
b) Social security debts	1395		395	0,00	396	0,00

	Code	Reference(s)	Code	Current year	Code	Previous year
9. Other creditors	1397		397	25.820.063,05	398	5.731.793,25
a) becoming due and payable within one year	1399	7	399	25.820.063,05	400	5.731.793,25
b) becoming due and payable after more than one year	1401		401	0,00	402	0,00
E. Deferred income	1403		403	0,00	404	0,00
TOTAL (LIABILITIES)			405	59.280.016,73	406	842.064,21

The notes in the annex form an integral part of the annual accounts

Notes to the Financial Statements

1. General information

Eurasian Resources Group S.à r.l. (the 'Company') was incorporated on 13 May 2013 and is organised under the laws of Luxembourg as a private limited company for an unlimited period. The registered office of the Company is established at L-2763 Luxembourg, 9 rue Sainte Zithe, Luxembourg.

The Company's financial year starts on 1 January and ends on 31 December of each year.

The main activity of the Company is the acquisition of participations, in Luxembourg or abroad, in any companies or enterprises in any for whatsoever and the management of such participations. The Company may in particular acquire by subscription, purchase or exchange or in any manner any stock, shares, and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and more generally, in any securities and financial instruments issued by any public or private entity. The Company may borrow in any form, except by way of public offer. It may issue, by way of private placement only, notes, bonds and any kind of debt and equity securities. The Company may lend funds including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and other companies. The Company may use any techniques and instruments to efficiently manage its investments and to protect itself against credit risks, currency exchange exposure, interest rate risks and other risks. The Company may carry out any commercial, financial or industrial operations and any transactions with respect to real estate or moveable property which, directly, or indirectly, favour or relate to its corporate objective.

In accordance with article 68 par.3 of the law of 19 December 2002 concerning the Trade and Company Register and the accountancy and financial statements of companies, the Company as company falling within the scope of the aforementioned law is exempted from the obligation to draw up a management report, under condition that it refers in the annex to the accounts to the conditions set out in article 49-5 par.2 of the company law of 1915 concerning the acquisition of own shares.

These annual accounts were presented on a non-consolidated basis for approval of the shareholders during the Annual General Meeting. The Company also prepares consolidated financial statements, which are published according to the provisions of the Luxembourg law.

The figures for the year that has ended 31 December 2013 relating to item 5. Other operational charges have been reclassified to ensure comparability with the figures for the year ended 31 December 2014.

2. Critical accounting estimates and judgements in applying accounting policies

Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost use of convention.

Accounting policies and valuation rules are, besides the ones laid down by the Law of 19 December 2002, determined and applied by the Board of Managers.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changes. The Board of Managers believe that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The financial statements for the year ended 31 December 2014 have been prepared under the assumption that the Company will continue as a going concern. The Company has total equity of US$ 59,306,757.79 deficit as at 31 December 2014, however this is compensated by the fair value of shares in affiliated undertakings that is significantly higher than its cost as disclosed in Note 3. Furthermore, the Company has started its activities of management services provider during the year 2014, which will allow the earning of income. For these reasons, management considers that the going concern assumption is appropriate for the preparation of the Company's financial statements for the period ended 31 December 2014.

Going concern

As a result of the transaction whereby ERG acquired the ENRC Group, the debt burden on the Eurasian Resources Group S.à r.l. and its subsidiaries ("the Group") increased substantially due to the additional capital cost of financing the acquisition and the consequential increase in debt service cost (details of which are set out in the Group's Annual Report and Accounts). In addition, the Group requires on-going access to capital to refinance debt maturities and support its sustaining and expansionary business plans. The Group continuously monitors its financial position to ensure sufficient liquidity headroom is in place to support its business needs and to ensure compliance with loan covenants or to obtain waiver where appropriate.

Notes to the Financial Statements continued

Due to this additional debt burden, both liquidity and compliance with certain loan covenants have become more sensitive to market changes, in particular those which impact the Group's underlying cash flows, such as commodity prices.

In order to mitigate this risk, the Group has taken a number of actions to ensure that there is sufficient resilience to such movements and provide additional headroom in both liquidity and loan covenant compliance. Discussions are also ongoing with other existing and potential lenders to increase the weighted average maturity profile of the Group's debt profile to provide greater liquidity headroom.

The Group has completed the disposal of a number of companies during 2014 and 2015. The proceeds from these disposal transactions have reduced leverage and increase covenant headroom and also have the potential to allow the Group to increase liquidity.

Throughout the period, the Group continued negotiations to dispose of the Group's Other Non-ferrous division and the Group's Brazilian Iron Ore assets to the Founder Shareholders. However, market conditions currently have resulted in the postponement of this transaction and therefore the Board continues to review its strategic options for these assets and are actively pursuing the potential disposal of certain assets which may generate additional liquidity.

The Group's acquisition facility of US$1.7 billion falls due for repayment in June 2016. Although there is currently no firm commitment with our banking partners that this will be refinanced, the Group is confident that given the continued support it has received that the maturity of this loan will be extended during the course of the year.

The Group has reviewed the liquidity available to it for the period until 30 June 2016. There are periods of forecast limited liquidity as a result of the deterioration in market conditions, primarily in respect of lower expected commodity prices and higher costs and the requirement to repay or refinance existing facilities. During the period under review, negative liquidity is expected, starting from December 2015. In addition, the Group is expecting to breach certain covenants at 30 June 2015 and 31 December 2015. Waivers have been obtained for June 2015 and the Group will approach its banks for waivers in respect of December 2015 in due course.

The Managers of the Group continue to believe that their strong relationships with existing banking partners and the Kazakhstan government will ensure continued support for the Group's business plans.

The Company provides financial guarantees in respect of certain of the Group's facilities as detailed in note 8. In addition, the Company has provided non-binding letters of support for the subsidiaries, confirming the intention to provide financial support to enable the subsidiaries to meet its liabilities as they fall due and to carry on its business without significant curtailment of operations for the foreseeable future and not less than 12 months from the date of the approval of the subsidiaries statutory accounts, as long as the entity remains part of the ERG Group.

The Managers note the uncertainties of the ERG Group above, in particular the material uncertainty in respect of the acquisition facility, in reaching their conclusion regarding the preparation of these financial statements under the going concern basis. However the Managers of the Group have an ongoing dialogue with the Group's lenders and are confident, despite the macro-economic uncertainties, of the receipt of necessary covenant waivers and satisfactory renegotiation of debt maturity to maintain adequate liquidity and the potential to access new facilities to develop the Group's strategic plans. In addition, the Group's Managers continue to review and optimize its business plans in respect of operations and working capital management and are confident that additional liquidity improvements can be achieved.

The Managers of the Company note the material uncertainties regarding matters relating to the Group as detailed above and the consequential material uncertainties arising for the Company as a result. However, based on the Group's conclusion on its ability to continue as a going concern the Managers of the Company consider that the Company has access to adequate resources to continue its operations in its current capacity for the foreseeable future and that the preparation of these financial statements under the going concern basis is appropriate and accordingly it will be able to realise its assets and discharge its liabilities in the normal course of business.

A number of the Group's financing facilities required submission of consolidated financial statements of the Group and also of certain subsidiary companies by 31 May 2015. This deadline was not met and the Group agreed informally with its bankers an extension to this deadline and also that in not meeting this deadline there were no events of default. These information undertakings have been met following the approval of these financial statements on 30 June 2015 and submission to the relevant financial institutions.

Significant accounting policies
The main valuation rules applied by the Company are the following:

Formation expenses
The formation expenses of the Company are directly charged to the profit and loss account of the period in which they are incurred.

Notes to the Financial Statements continued

Financial fixed assets
Shares in affiliated undertakings held as fixed assets are valued at purchase price. Expenses incidental thereto are charged to the profit and loss account of the period in which they are incurred.

In the case of durable depreciation in value according to the opinion of the Board of Managers, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Debtors
Debtors are valued at their nominal value. They are subject to value adjustments where their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Prepayments
This asset item included expenditures incurred during the financial year but relating to a subsequent financial year.

Foreign currency translation
The Company maintains its books and records in US dollars. The balance sheet and the profit and loss account are expressed in this currency.

Transactions expressed in currencies other than US dollars are translated into the US dollars at the rate of exchange effective at the time of the transaction.

Cash at bank is translated at the exchange rate effective at the balance date. Exchange losses and gains are recorded in the profit and loss account of the period.

Other assets and liabilities are translated separately respectively at the exchange rate effective at the balance sheet date. Solely the unrealised exchange losses are recorded in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Provision for taxation
Provisions for taxation corresponding to the difference between the tax liability estimated by the Company and the advance payments for the financial years for which the tax return has not yet been filed are recorded under the caption 'Tax debts'.

Debts
Debts are recorded at their reimbursement value. Where the amount repayable on account is greater than the amount received the difference is shown as an asset and is written off over the period of the debt based on a linear method.

Net turnover
The net turnover comprises the amounts derived from the sale of products and the provision of services falling within the Company's ordinary activities, after deductions of sales rebates and value added tax and other taxes directly linked to the turnover.

Other operating income
Other operating income comprises the amounts derived from the recharge to group companies for the services falling within the companies ordinary activities, after deductions of sales rebates and value added tax and other taxes directly linked to the other operating income.

Measurement of financial guarantees
The fair values of premium-free financial guarantees issued by the Company are determined using valuation techniques. The Company applies its judgement in determining fair value of the financial guarantees issued. The Company applies interest rate differential and credit default swaps methods to determine the fair value of the financial guarantees. The fair value of the financial guarantee liability is calculated as the net present value of the interest rate differential or credit default swap rate multiplied by the guaranteed loan amount and discounted at the weighted average cost of Company's debt. For loan facility agreements where the Company is liable jointly and severally with other guarantors the market commission determined with reference to credit default swaps or interest rate differential is apportioned between the guarantors. This represents management's best estimate of the Company's exposure to credit risk associated with the issued guarantees.

Management concluded that it is unlikely that the Company will be required to settle the guaranteed obligations (Note 8). Therefore, at 31 December 2014 and 2013, the financial guarantees are carried at amortised cost.

In making such a judgment the Management of the Company considered the going concern assessment for the Company as described in the Going concern basis in Note 2 and assumed that the Group will be able to manage its external debts therefore it is unlikely that the Company will be required to settle the guaranteed obligations.

Notes to the Financial Statements continued

3. Shares in affiliated undertakings

The movements for the period are as follows:

	Affiliated undertakings Shares US$
Gross book value- opening balance	**1.34**
Additions for the year	50,001,962.22
Gross book value- closing balance	**50,001,963.56**
Net book value- closing balance	**50,001,963.56**

During the year, the company acquired Eurasian Group LLP, Eurasian Resources Group Trade House LLP (ERG Trade House LLP) and KS Holding Group S.à r.l. Undertakings in which the Company holds at least 20% of the share capital or in which it is a general partner are as follows:

Name of the undertaking	Registered office	Ownership %	Last balance sheet date	Net equity at the balance sheet date 'in millions'	Profit or loss for the financial year 'in millions'
Eurasian Resources Group B.V.	Amsterdam, NL	100%	31-12-2014	$2,925	($196)
Eurasian Group LLP	Astana, KZ	100%	31-12-2014	$0.6	$0.6
ERG Trade House LLP	Astana, KZ	100%	31-12-2014	$1.4	$1.4
KS Holding Group S.à r.l.	Luxembourg, Lux	100%	31-12-2014	€ 6	€ 0

KS Holding Group S.à r.l.

On 19 December 2014 the Group acquired 100% of the shares and voting interests in KS Holding Group S.à r.l. ('KSHG') from Mr Shakhidi. Mr Shakhidi has continued involvement in KSHG through his 2 representatives which serve on the Board of Managers of KSHG. The consideration paid for the acquisition was US$49 million with an option for the Group to either return 75% of the shares or to pay an additional amount from US$150 million to US$300 million depending on the value of the shares in the future.

Mr Shakhidi is a related party of the Group through his business relationships with one of the Founder Shareholders and Managers, Mr A Ibragimov. Mr Shakhidi serves as a director of a number of companies which Mr A Ibragimov ultimately controls or holds direct or indirect interests in. The Managers of the Group believe that the acquisition was conducted at arm's length and confirm that no Manager has a direct or indirect beneficial interest in the acquisition.

The valuation of investments acquired requires judgments and estimates to be made as part of the measurement of the fair values of assets and liabilities acquired and the consideration transferred which determine the acquired investment's carrying amount in the balance sheet. In respect of KS Holdings Group S.à r.l. the Company hired an external valuation consultant to make a review for the purposes of the acquisition of the likely fair value of the acquired assets.

4. Other receivables becoming due and payable within one year.

Other receivables are composed of receivables from affiliated undertakings of US$5.356.176,43 (2013: US$709,92), a VAT receivable of US$2.891.035,19 (2013: US$771.771,75) and a bank guarantee of US$46.474,50 (2013: US$nil).

ERG S.à r.l., in its capacity of the Group's ultimate holding company, has incurred certain costs since its incorporation in late 2013, part of which have attracted Luxembourg VAT. Because of its start-up status, ERG S.à r.l. should in principle be in a position to deduct all or most of its input-VAT burden.

However, the Luxembourg authorities have recently taken a more conservative stance as regards input-VAT recoverability rights of VAT entrepreneurs by only allowing deductibility of that part of the input-VAT burden, that can be directly linked to the VAT-able output generated by a company.

As regards ERG S.à r.l., no pro rata calculation is available to date. Although this leaves an element of uncertainty as to what extent the authorities will eventually allow the company's input-VAT recoverability, given the start-up argument and the various activities that the company is currently exploring for the future, we are confident that ERG S.à r.l. has sufficient arguments to recover all or most of the company's input-VAT burden. On that basis, we have accounted for VAT recoverability to the full extent.

Notes to the Financial Statements continued

5. Prepayments

Prepayments are composed of expenditures during the financial year but relating to a subsequent financial year.

6. Subscribed capital

		Number of class A shares	Number of class B shares	Number of shares	Total number of shares
Subscribed capital- opening balance	EUR 1.00	25,000	37,500		62,500
Subscriptions for the period	EUR 1.00	(25,000)	(37,500)		(62,500)
Subscriptions for the period	US$ 1.00			77,500	77,500

The total number of authorised and issued ordinary shares of the Company is 77,500. All shares have a par value of US$1.00. The movement for 2014 on the subscribed capital correspond to the change of the currency of the shares from Euro to United States dollar at a rate of one Euro for one United States dollar and twenty-four cents, following the decisions taken by the shareholders during the extraordinary general meeting held on December 29 2014.

The authorised capital amounts to US$77,500.00.

7. Non-subordinated debts

	As at 31 December 2014 US$	As at 31 December 2013 US$
Current		
Other creditors	**25,820,063.05**	**5,731,793.25**
Amounts owed to affiliated undertakings	**87,501,879.55**	**9,003,751.55**
Tax debts- VAT payable	**4,847,090.65**	**771,771.75**
Total non-subordinated debts	**118,169,033.25**	**15,507,316.55**

Other creditors consist largely of accounts payable for professional fees of US$10,186,881.65 and other accruals of US$15.633.181,41 which can be split into accrued bonuses, salaries and social taxes US$5.645.664,69, accrued travel costs payable to the founder shareholders of US$5.997.051,35, accrued audit costs US$1.710.272,00, accrued costs relating to the acquisitions US$1.000.932,81 and other accrued costs US$1.279.260,56. The balances do not bear interest.

Amounts owed to affiliated undertakings consist largely of US$87,288,854.19 payable to Eurasian Group B.V. (ERG B.V.) This balance bears interest at LIBOR plus 7.3% and is repayable by December 2015.

Notes to the Financial Statements continued

8. Related parties

During the period the Company entered into transactions with related parties. The transactions were in the ordinary course of business and included interest expense. The transactions entered into and the balances outstanding at the period end were as follows:

US$	Shareholders		Subsidiaries		Other related parties[1]	
	2014	2013	2014	2013	2014	2013
Current Assets						
Other receivables	758,521.87	709.92	-	-	-	-
Accounts receivable	-	-	4,597,654.56	-	-	-
Current Liabilities						
Loans Payable	-	-	85,643,720.89	8,934,814.51	-	-
Accrued travel costs	5,788,287.60	-	-	-	-	-
Accrued Interest	-	-	1,645,133.71	-	-	-
Accrued consultancy costs	-	-	-	-	638,195.61	-
Costs						
Travel costs	17,042,936.86	-	-	-	-	-
Other Consulting Costs	-	-	-	-	6,743,183.59	-
Interest expenses	-	-	1,576,196.66	-	-	-
Income						
Net Turnover	-	-	2,150,000.00	-	-	-
Other operating income	-	-	2,597,654.56	-	-	-

[1]The Company considers a related party to be all entities within the Eurasian Resources Group S.à r.l. Consolidated Group or any person or entity with significant influence over the same group.

Related party balances as at 31 December 2014 include the following:

- Other receivables from the Shareholders of US$758.521,87 (2013: US$709,92) .
- Accounts receivable from subsidiaries of US$4.597.654,56 (2013: US$0).
- Loan of US$85,643,720.89 payable to ERG B.V (2013: US$8,934,814.51). This balance bears interest at LIBOR plus 7.3% and is repayable by December 2015. ERG B.V. is a group company and therefore the repayment maturity is under control of ERG S.à r.l., as ERG BV is under control of ERG S.à r.l.
- Accrued interest of US$1,645,133.71 payable to ERG B.V.
- Accrued travel costs for the Shareholders of US$5,788,287.60 (2013: US$0).
- Accrued consultancy costs to other related parties of US$ 638,195.61 (2013: US$0).
- Other consultancy costs to other related parties of US$ 6,743,183.59 (2013: US$0).
- Net turnover to subsidiaries of US$2,150,000.00 to ENRC N.V. consists of management fees (2013: US$0).
- Other operating income of US$2,597,654.56 consists of recharging of costs to group companies. Please refer to note 10 on page 11.

A maximum amount of EUR30 million per year has been approved by the Board for the travel expenses incurred by the founder shareholder in connection with the representation of ERG Group companies. For the year ended 2014, the total expense authorised by the board amounts to $17,042,936.86. This includes an accrual of $3.4 million relating to 2014 which has not yet been claimed by a founder shareholder.

Letters of Support
The Company has issued letters of support to several entities within the Eurasian Resources Group S.à r.l. Consolidated Group in its capacity as ultimate parent entity of the Group. As at the date of this report, the Company has not been called upon to provide such support and is unable to estimate the probability of being called upon to provide support, or to quantify the amount it may be required to pay.

Guarantees
The Company has issued the following guarantees to its subsidiaries:

On 21 October 2014, the Company became guarantor for a loan facility agreement dated 25 September 2014 between Kazchrome and JSC Development of Kazakhstan. The facility amount of the loan is US$ 350 million with a maturity date of 25 September 2021 and the outstanding amount as at 31 December 2014 was US$ 350 million.

On 1 October 2014, the Company became guarantor for a loan facility agreement dated 15 September 2014 between Kazchrome & SSGPO and Sberbank Russia. The facility amount of the loan is US$ 2,220 million with a maturity date of 15 March 2018 and no amount were drawn down from this facility as at 31 December 2014.

Notes to the Financial Statements continued

On 24 June 2013, the Company became guarantor for a loan facility agreement between ENRC Finance Ltd and VTB Capital Plc. The facility amount of the loan is US$ 1,000 million with a maturity date of 24 June 2018 and the outstanding amount as at 31 December 2014 was US$ 459 million.

On 24 June 2013, the Company became guarantor for a loan facility agreement between ERG BV and VTB Capital Plc & Sberbank Russia. The facility amount of the loan is US$ 1,700 million with a maturity date of 24 June 2016 and no amount were drawn down from this facility as at 31 December 2014.

9. Staff

The company employed an average of 7.5 employees during the financial year (2013: Nil).

The emoluments granted to the members of the management and the obligations arising for the financial year are US$8,561,460.00 (2013: US$0). Remaining amount of US$1,127,202.74 (2013: US$0) relates to salaries and wages for other personnel.

There are no commitments outstanding in respect of retirement pensions.

10. Other external charges

	2014 US$	2013 US$
Professional fees	**854,012.57**	**12,423,230.96**
Consulting fees	**12,259,225.69**	**1,729,510.31**
Audit fees	**1,772,176.17**	**512,003.00**
Travel Expenses	**18,815,138.92**	**-**
Other	**937,456.91**	**13,473.34**
Total other operating charges	**34,638,010.26**	**14,678,217.61**

- Other consulting fees include US$ 6,743,183.59 payments to related parties (2013: US$0). Please refer to note 8 on page 10.
- Travel expenses includes US$ 17.042.936,86 payments to the shareholders (2013: US$0). Please refer to note 8 on page 10.

11. Income tax expense

The Company is subject to minimum taxation based on general tax law applicable in Luxembourg. The income tax charge as at 31 December 2014 amounts to US$3,907.53 (2013; US$ 4,412.98).

12. Net turnover

Net turnover includes US$2,150,000.00 (2013: US$0) management fees charged to a subsidiary of the Company based in the Netherlands.

13. Other operating income

Other operating income includes cost recharges to subsidiaries. Please refer to note 8 on page 10.

14.Subsequent events

On 27 January 2015, the Company became guarantor for a loan facility agreement dated 30 September 2011 between ENRC NV and RCB Bank Ltd (lender) RCB Bank Ltd (agent). The facility amount of the loan tranche A US$ 500 million with a maturity date of 30 March 2017 and tranche B US$ 500 million with a maturity date of 30 September 2016.

No further significant events have occurred after the balance sheet date.

Eurasian Resources Group S.à r.l.
Société à responsabilité limitée
Registered office: 9, rue Sainte Zithe
L-2763 Luxembourg
R.C.S. Luxembourg B 177.275
Subscribed capital: USD 77,500.00

Allocation of the result of the year

The Partners of the company Eurasian Resources Group S.à r.l. decided on 30 June 2015 to allocate the result for the financial year 2014, being a loss amounting to USD 44,218,856.37, to the results brought forward.